



Reprinted  
February 28, 2003

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## HOUSE BILL No. 1098

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DIGEST OF HB 1098 (Updated February 27, 2003 5:19 PM - DI 75)

**Citations Affected:** IC 3-9; noncode.

**Synopsis:** Identity of persons making political contributions. Requires a political committee to report certain information relating to persons other than individuals, corporations, labor organizations, and political action committees that make contributions or loans to the committee. Provides that after December 31, 2003, political contribution limits currently applicable to corporations and labor organizations will apply to all persons except individuals, political committees, and political action committees. Provides that a political committee must report all contributions regardless of the size.

**Effective:** July 1, 2003.

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January 7, 2003, read first time and referred to Committee on Elections and Apportionment.

February 20, 2003, amended, reported — Do Pass.

February 25, 2003, read second time, amended; call withdrawn.

February 27, 2003, read second time, call withdrawn.

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HB 1098—LS 6884/DI 75+



First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1098

A BILL FOR AN ACT to amend the Indiana Code concerning elections.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 3-9-1-25, AS AMENDED BY P.L.176-1999,  
2       SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2003]: Sec. 25. (a) A member of a committee that has  
4       appointed a treasurer in accordance with this chapter may solicit or  
5       receive contributions as long as the member immediately turns over the  
6       contributions without diminution to the treasurer of the committee, to  
7       be disbursed and accounted for by the treasurer as provided by this  
8       article. The treasurer shall show, in the treasurer's account and  
9       statement and in addition to the requirements of IC 3-9-5, through what  
10      member of the committee any contributions were received.

11      (b) A contribution is considered to be received and accepted by a  
12      committee when any member of the committee:

- 13          (1) has physical possession of the contribution; and  
14          (2) manifests an intent to keep the contribution by depositing the  
15          contribution, subject to ~~IC 3-9-5-14(c)~~: **IC 3-9-5-14(b)**.

16      SECTION 2. IC 3-9-2-4 IS AMENDED TO READ AS FOLLOWS  
17      [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) During a year **before**

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**January 1, 2004**, a corporation or labor organization may not make total contributions in excess of:

- (1) an aggregate of five thousand dollars (\$5,000) apportioned in any manner among all candidates for state offices (including a judge of the court of appeals whose retention in office is voted on by a district that does not include all of Indiana);
- (2) an aggregate of five thousand dollars (\$5,000) apportioned in any manner among all state committees of political parties;
- (3) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all candidates for the senate of the general assembly;
- (4) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all candidates for the house of representatives of the general assembly;
- (5) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among regular party committees organized by a legislative caucus of the senate of the general assembly;
- (6) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among regular party committees organized by a legislative caucus of the house of representatives of the general assembly;
- (7) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all candidates for school board offices and local offices; and
- (8) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all central committees other than state committees.

**(b) This subsection applies to a person other than an individual, a candidate's committee, a regular party committee, a legislative caucus committee, or a political action committee. After December 31, 2003, a person may not make total contributions in excess of:**

- (1) an aggregate of five thousand dollars (\$5,000) apportioned in any manner among all candidates for state offices (including a judge of the court of appeals whose retention in office is voted on by a district that does not include all of Indiana);**
- (2) an aggregate of five thousand dollars (\$5,000) apportioned in any manner among all state committees of political parties;**
- (3) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all candidates for the senate of the general assembly;**
- (4) an aggregate of two thousand dollars (\$2,000) apportioned**



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in any manner among all candidates for the house of representatives of the general assembly;

(5) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among regular party committees organized by a legislative caucus of the senate of the general assembly;

(6) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among regular party committees organized by a legislative caucus of the house of representatives of the general assembly;

(7) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all candidates for school board offices and local offices; and

(8) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all central committees other than state committees.

SECTION 3. IC 3-9-5-14, AS AMENDED BY P.L.176-1999, SECTION 52, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 14. (a) As used in this section, "threshold contribution amount" refers to the following:

(1) For contributions made to a candidate's committee, a legislative caucus committee, or a political action committee, one hundred dollars (\$100).

(2) For contributions made to a regular party committee, two hundred dollars (\$200).

(b) (a) The report of each committee's treasurer must disclose the following:

(1) The amount of cash on hand and the value of any investments made by the committee at the beginning of the reporting period.

(2) The total sum of individual contributions including transfers-in, accepted by the committee during its reporting period.

(3) The following information regarding each person who has made one (1) or more contributions within the year, in an aggregate amount that exceeds the threshold contribution amount in actual value to or for the committee, including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events:

(A) The full name of the person.

(B) The full mailing address of the person making the contribution.

(C) The person's occupation, if the person is an individual who has made contributions to the committee of at least one

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thousand dollars (\$1,000) during the calendar year.

(D) The date and amount of each contribution.

**(E) If the person is a person other than an individual, a corporation, a labor organization, or a political action committee, the information required by section 14.5 of this chapter.**

(4) The name and address of each committee from which the reporting committee received, or to which that committee made, a transfer of funds, together with the amounts and dates of all transfers.

(5) If the reporting committee is a candidate's committee, the following information about each other committee that has reported expenditures to the reporting candidate's committee under section 15 of this chapter:

(A) The name and address of the other committee.

(B) The amount of expenditures reported by the other committee.

(C) The date of the expenditures reported by the other committee.

(D) The purpose of the expenditures reported by the other committee.

(6) Each loan to or from a person within the reporting period together with the following information:

(A) The full names and mailing addresses of the lender and endorsers, if any.

(B) The person's occupation, if the person is an individual who has made loans of at least one thousand dollars (\$1,000) to the committee during the calendar year.

(C) The date and amount of the loans.

**(D) If the loan is from a person other than an individual, a corporation, a labor organization, or a political action committee, the information required by section 14.5 of this chapter.**

(7) The total sum of all receipts of the committee during the reporting period.

(8) The full name, mailing address, occupation, and principal place of business, if any, of each person other than a committee to whom an expenditure was made by the committee or on behalf of the committee within the year in an aggregate amount that:

(A) exceeds one hundred dollars (\$100), in the case of a candidate's committee, legislative caucus committee, or political action committee; or

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- 1 (B) exceeds two hundred dollars (\$200), in the case of a  
 2 regular party committee.
- 3 (9) The name, address, and office sought by each candidate for  
 4 whom any expenditure was made or a statement identifying the  
 5 public question for which any expenditure was made, including  
 6 the amount, date, and purpose of each expenditure.
- 7 (10) The full name, mailing address, occupation, and principal  
 8 place of business, if any, of each person to whom an expenditure  
 9 for personal services, salaries, or reimbursed expenses was made  
 10 within the year in an aggregate amount that:
- 11 (A) exceeds one hundred dollars (\$100), in the case of a  
 12 candidate's committee, legislative caucus committee, or  
 13 political action committee; or
- 14 (B) exceeds two hundred dollars (\$200), in the case of a  
 15 regular party committee;  
 16 and that is not otherwise reported, including the amount, date, and  
 17 purpose of the expenditure.
- 18 (11) The total sum of expenditures made by the committee during  
 19 the reporting period.
- 20 (12) The amount and nature of debts owed by or to the committee,  
 21 and a continuous reporting of the debts after the election at the  
 22 times required under this article until the debts are extinguished.
- 23 ~~(c)~~ **(b)** If a committee:
- 24 (1) obtains a contribution;
- 25 (2) determines that the contribution should not be accepted by the  
 26 committee; and
- 27 (3) does not receive and accept the contribution under  
 28 IC 3-9-1-25(b);
- 29 the committee must return the contribution to the person who made the  
 30 contribution. A returned contribution is not required to be listed on the  
 31 report of the committee's treasurer. However, if the committee receives  
 32 and deposits the contribution under IC 3-9-1-25(b) and subsequently  
 33 determines that the contribution should be refunded, the receipt and  
 34 refund of the contribution must be listed on the report of the  
 35 committee's treasurer.
- 36 SECTION 4. IC 3-9-5-14.5 IS ADDED TO THE INDIANA CODE  
 37 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 38 1, 2003]: **Sec. 14.5. (a) This section applies to a person:**
- 39 **(1) other than an individual, a corporation, a labor**  
 40 **organization, or a political action committee; and**
- 41 **(2) that makes a contribution.**
- 42 **(b) For purposes of this section, an individual is considered to**



1 have an interest in a person that makes a contribution or extends  
2 a loan if either of the following applies to the individual:

3 (1) The individual holds at least a five percent (5%) interest  
4 in the person that makes the contribution or extends the loan.

5 (2) The individual has authority to make a contribution or  
6 extend a loan on behalf of the person that makes the  
7 contribution or extends the loan.

8 (c) This subsection does not require information to be reported  
9 regarding a contribution or a loan made before January 1, 2004.  
10 In addition to the information required by section 14 of this  
11 chapter, the treasurer of a committee must report the following  
12 information regarding each individual who has an interest in a  
13 person that makes a contribution or extends a loan to the  
14 committee:

15 (1) The full name of the individual.

16 (2) The full mailing address of the individual.

17 (3) The individual's occupation, if the person that makes the  
18 contribution or extends the loan makes contributions to the  
19 committee of at least one thousand dollars (\$1,000) during the  
20 calendar year.

21 SECTION 5. [EFFECTIVE JULY 1, 2003] (a) IC 3-9-5-14, as  
22 amended by this act, applies to political contributions made after  
23 December 31, 2003.

24 (b) This SECTION expires July 1, 2005.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Elections and Apportionment, to which was referred House Bill 1098, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 3-9-2-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. **(a)** During a year **before January 1, 2004**, a corporation or labor organization may not make total contributions in excess of:

- (1) an aggregate of five thousand dollars (\$5,000) apportioned in any manner among all candidates for state offices (including a judge of the court of appeals whose retention in office is voted on by a district that does not include all of Indiana);
- (2) an aggregate of five thousand dollars (\$5,000) apportioned in any manner among all state committees of political parties;
- (3) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all candidates for the senate of the general assembly;
- (4) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all candidates for the house of representatives of the general assembly;
- (5) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among regular party committees organized by a legislative caucus of the senate of the general assembly;
- (6) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among regular party committees organized by a legislative caucus of the house of representatives of the general assembly;
- (7) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all candidates for school board offices and local offices; and
- (8) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all central committees other than state committees.

**(b) This subsection applies to a person other than an individual, a candidate's committee, a regular party committee, a legislative caucus committee, or a political action committee. After December 31, 2003, a person may not make total contributions in excess of:**

- (1) an aggregate of five thousand dollars (\$5,000) apportioned in any manner among all candidates for state offices**



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(including a judge of the court of appeals whose retention in office is voted on by a district that does not include all of Indiana);

(2) an aggregate of five thousand dollars (\$5,000) apportioned in any manner among all state committees of political parties;

(3) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all candidates for the senate of the general assembly;

(4) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all candidates for the house of representatives of the general assembly;

(5) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among regular party committees organized by a legislative caucus of the senate of the general assembly;

(6) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among regular party committees organized by a legislative caucus of the house of representatives of the general assembly;

(7) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all candidates for school board offices and local offices; and

(8) an aggregate of two thousand dollars (\$2,000) apportioned in any manner among all central committees other than state committees."

Page 4, line 18, after "(c)" insert "**This subsection does not require information to be reported regarding a contribution or a loan made before January 1, 2004.**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1098 as introduced.)

MAHERN, Chair

Committee Vote: yeas 8, nays 6.



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## HOUSE MOTION

Mr. Speaker: I move that House Bill 1098 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 3-9-1-25, AS AMENDED BY P.L.176-1999, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 25. (a) A member of a committee that has appointed a treasurer in accordance with this chapter may solicit or receive contributions as long as the member immediately turns over the contributions without diminution to the treasurer of the committee, to be disbursed and accounted for by the treasurer as provided by this article. The treasurer shall show, in the treasurer's account and statement and in addition to the requirements of IC 3-9-5, through what member of the committee any contributions were received.

(b) A contribution is considered to be received and accepted by a committee when any member of the committee:

- (1) has physical possession of the contribution; and
- (2) manifests an intent to keep the contribution by depositing the contribution, subject to ~~IC 3-9-5-14(c)~~ **IC 3-9-5-14(b)**."

Page 3, line 3, strike "(a) As used in this section, "threshold".

Page 3, strike lines 4 through 9.

Page 3, line 10, strike "(b)" and insert "**(a)**".

Page 3, line 18, strike "in an".

Page 3, strike line 19.

Page 3, line 20, strike "in actual value to or for the committee,"

Page 5, line 8, strike "(c)" and insert "**(b)**".

Page 6, after line 5, begin a new paragraph and insert:

"SECTION 5. [EFFECTIVE JULY 1, 2003] **(a) IC 3-9-5-14, as amended by this act, applies to political contributions made after December 31, 2003.**

**(b) This SECTION expires July 1, 2005."**

(Reference is to HB 1098 as printed February 21, 2003.)

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